



FOR IMMEDIATE RELEASE:

**MEDALLION BANK REPORTS 2022 SECOND QUARTER RESULTS AND
DECLARES SERIES F PREFERRED STOCK DIVIDEND**

SALT LAKE CITY, UT – July 27, 2022 – Medallion Bank (Nasdaq: MBNKP, the “Bank”), an FDIC-insured bank providing consumer loans for the purchase of recreational vehicles, boats, and home improvements, along with offering loan origination services to fintech strategic partners, announced today its results for the period ended June 30, 2022. The Bank is a wholly owned subsidiary of Medallion Financial Corp. (Nasdaq: MFIN).

2022 Second Quarter Highlights

- Net income of \$17.9 million, compared to net income of \$17.5 million in the prior year period.
- Net interest income of \$40.0 million with a net interest margin of 9.5%, compared to \$33.1 million and 10.0% in the prior year period.
- Annualized ROA and ROE were 4.2% and 25.9%, respectively, as of June 30, 2022, compared to 5.2% and 30.0% in the prior year period.
- Provision for loan losses was \$6.0 million, compared to a benefit of \$0.4 million in the prior year period.
- Annualized net charge-offs were 0.2% of average loans outstanding, compared to 3.9% in the prior year period.
- The total loan portfolio grew 28.5% to \$1.6 billion during the 12-month period ending June 30, 2022.
- Total assets were \$1.8 billion, total capital was \$282.9 million, and the Tier 1 leverage ratio was 17.0% at June 30, 2022.

Donald Poulton, President and Chief Executive Officer of Medallion Bank, stated, “We recorded another quarter of substantial earnings, driven by record loan originations on sustained demand for our products that serve the recreation vehicle, marine, and home improvement industries. Despite rising interest rates and inflationary pressure, our borrowers continued to perform well and loan losses remained lower than historical norms. While the provision for loan losses grew year-over-year commensurate with loan growth, net recoveries of \$2.3 million in our medallion loan portfolio were a helpful offset. We continue to focus on serving our customers with an optimal balance of high tech and high touch in order to deliver superior financial performance.”

Recreation Lending Segment

- The Bank’s recreation loan portfolio grew 23.2% to \$1.1 billion as of June 30, 2022, compared to \$891.6 million at June 30, 2021.
- Net interest income was \$30.3 million, compared to \$26.0 million in the prior year period.
- Recreation loans were 67.1% of loans receivable as of June 30, 2022, compared to 69.9% at June 30, 2021.
- The provision for recreation loan losses was \$6.7 million, compared to \$1.0 million in the prior year period.
- Annualized net charge-offs were 1.0% of average recreation loans outstanding, compared to annualized net recoveries of 0.2% in the prior year period.

Home Improvement Lending Segment

- The Bank’s home improvement loan portfolio grew 42.9% to \$526.3 million as of June 30, 2022, compared to \$368.4 million at June 30, 2021.
- Net interest income was \$9.4 million, compared to \$7.3 million in the prior year period.
- Home improvement loans were 32.1% of loans receivable as of June 30, 2022, compared to 28.9% at June 30, 2021.
- The provision for home improvement loan losses was \$1.7 million, compared to \$0.7 million in the prior year period.
- Annualized net charge-offs were 0.5% of average home improvement loans outstanding, compared to 0.3% in the prior year period.

Series F Preferred Stock Dividend

On July 26, 2022, the Bank’s Board of Directors declared a quarterly cash dividend of \$0.50 per share on the Bank’s Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F, which trades on the Nasdaq Capital Market under the ticker symbol “MBNKP.” The dividend is payable on October 3, 2022, to holders of record at the close of business on September 15, 2022.

About Medallion Bank

Medallion Bank specializes in providing consumer loans for the purchase of recreational vehicles, boats, and home improvements, along with offering loan origination services to fintech strategic partners. The Bank works directly with thousands of dealers, contractors and financial service providers serving their customers throughout the United States. Medallion Bank is a Utah-chartered, FDIC-insured industrial bank headquartered in Salt Lake City and is a wholly owned subsidiary of Medallion Financial Corp. (Nasdaq: MFIN).

For more information, visit www.medallionbank.com

Please note that this press release contains forward-looking statements that involve risks and uncertainties relating to business performance, cash flow, costs, sales, net investment income, earnings, returns and growth. These statements are often, but not always, made through the use of words or phrases such as “continue,” “believe,” or “will,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature, such as “sustain.” These statements relate to our future earnings, returns, growth prospects, asset quality and pursuit and execution of our strategy. Medallion Bank’s actual results may differ significantly from the results discussed in such forward-looking statements. For a description of certain risks to which Medallion Bank is or may be subject, please refer to the factors discussed under the captions “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” included in Medallion Bank’s Form 10-K for the year ended December 31, 2021, and in its Quarterly Reports on Form 10-Q, filed with the FDIC. Medallion Bank’s Form 10-K, Form 10-Qs and other FDIC filings are available in the Investor Relations section of Medallion Bank’s website. In addition, Medallion Bank’s financial results for any period are not necessarily indicative of Medallion Financial Corp.’s results for the same period.

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MEDALLION BANK
STATEMENTS OF OPERATIONS
(UNAUDITED)

<i>(In thousands)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Total interest income	\$ 44,905	\$ 37,594	\$ 86,249	\$ 73,350
Total interest expense	4,912	4,465	9,066	9,176
Net interest income	39,993	33,129	77,183	64,174
Provision (benefit) for loan losses	5,986	(374)	8,130	2,364
Net interest income after provision for loan losses	34,007	33,503	69,053	61,810
Other (loss) income				
Write-downs of loan collateral in process of foreclosure	(54)	(1,424)	(440)	(2,552)
Other non-interest income	392	442	548	536
Total non-interest loss, net	338	(982)	108	(2,016)
Non-interest expense				
Salaries and benefits	3,466	2,798	6,971	5,602
Loan servicing	2,787	2,704	5,456	5,352
Collection costs	1,319	1,120	2,478	2,135
Regulatory fees	560	456	1,011	895
Professional fees	394	474	805	898
Occupancy and equipment	127	187	370	373
Other	1,251	866	2,143	1,872
Total non-interest expense	9,904	8,605	19,234	17,127
Income before income taxes	24,441	23,916	49,927	42,667
Provision for income taxes	6,581	6,397	13,283	11,376
Net income	\$ 17,860	\$ 17,519	\$ 36,644	\$ 31,291

MEDALLION BANK
BALANCE SHEETS
(UNAUDITED)

<i>(In thousands)</i>	June 30, 2022	December 31, 2021	June 30, 2021
Assets			
Cash and federal funds sold	\$ 93,946	\$ 61,402	\$ 61,563
Investment securities, available-for-sale	50,358	44,772	48,307
Loans, inclusive of net deferred loan acquisition costs	1,638,426	1,415,415	1,274,846
Allowance for loan losses	(58,079)	(53,384)	(52,799)
Loans, net	1,580,347	1,362,031	1,222,047
Loan collateral in process of foreclosure	14,053	21,438	32,768
Fixed assets and right-of-use lease assets, net	5,766	4,230	3,308
Deferred tax assets	8,829	7,576	7,936
Due from affiliates	—	—	487
Accrued interest receivable and other assets	42,038	37,788	33,911
Total assets	\$ 1,795,337	\$ 1,539,237	\$ 1,410,327
Liabilities and Shareholders' Equity			
Liabilities			
Deposits and other funds borrowed	\$ 1,469,241	\$ 1,250,880	\$ 1,152,068
Accrued interest payable	1,303	1,228	1,196
Income tax payable	26,924	16,104	4,643
Other liabilities	14,460	7,672	10,256
Due to affiliates	478	906	—
Total liabilities	1,512,406	1,276,790	1,167,676
Total shareholders' equity	282,931	262,447	242,164
Total liabilities and shareholders' equity	\$ 1,795,337	\$ 1,539,237	\$ 1,410,327